



INDIANA

Board for Depositories

[Home](#) [Site Navigation](#) [Contact Us](#) [Links](#) [IN.gov](#)

Questions and Answers for Actuarial Study :

1. What would be the quickest and easiest way to get a copy of the latest actuarial study? Is that something that can be emailed to me as a PDF?	We do not have the last study in electronic format; therefore I will have to give you a photocopy of the last study and proposal. I can mail it to you or you can pick it up at our office – your choice.
2. How can I get a copy of the most recent successful proposal for the last actuarial study?	See above
3. When was the last actuarial study performed and for what time period?	<p>The last study was accepted and approved by the Board of Directors at the December 16, 2003 meeting.</p> <p>Much of the data used for the study will from the financial institution reporting we require. This data will be:</p> <p>a.) 2 quarters of detail reports from the 211 approved depositories, listing all public funds on deposit by account and,</p> <p>b.) 1-2 years of summary data showing the total of public funds by quarter, by institution.</p> <p>The study is more a snapshot of the condition of the fund at the point of engagement with some projections of anticipated trends.</p>
4. Which firm prepared the last actuarial study? How often and when has that firm prepared this or similar studies?	Mercer Risk, Finance & Insurance Consulting did the study and this was the first time they had done any work for us.
5. What was the fee paid for the last actuarial study?	We paid Mercer a total of \$52,062.64, which included some travel costs and small incidental expenses.

Will the newly engaged actuarial consultants be allowed to review the prior actuarial study (presented in December, 2003)?	Yes, prior study is available on request.
Can the INDIANA Board for Depositories (INBD) provide FDIC historical “default” and “recovery given default” statistics?	No, this research is provided by hired firm.
Will the INBD provide detailed information related to federal and state law changes affecting the Public Deposit Insurance Fund (PDIF) since the last review?	Yes, to State law however, not Federal.
Does the INBD recommend a contact at FDIC that we could expect to work with in compiling market default data pertaining to the probability of bank failures?	No, we have no relationship with FDIC.
In the last 10 years has there been a change in the philosophy for setting PDIF funding reserve levels, on either individual cases and/or in the aggregate?	No.
In the last 10 years has there been an observed change in the number of claims against the fund resulting from changes in federal or state statutes or other factors affecting financial institutions in Indiana ?	No, there have not been any claims against PDIF in the past decade.
Does the INBD have any particular states or specific types of funding plans in mind that they would like to be compared to?	No, this program, to our knowledge, is unique.
<ul style="list-style-type: none"> • Have any market surveys been conducted to poll depositor reaction? 	No.
What current credit concerns does the INBD have and why is this issue raised for the current review?	This is a standard issue with all previous studies and addressed by reviewing the response in the previous study.
Was the collateral issue reviewed in the prior actuarial analysis?	Yes. See above.
In the last 10 years has the fund ever been below actuarially indicated reserves?	No, but qualified. The Board of Directors chooses what actuarial scenario they feel best represents the interests of PDIF.
Are there GAAP or SAP considerations in selecting the reasonable level of reserves?	No.
Will INBD provide specific repurchase agreement details and market guidance as to the issues surrounding variable treatment as a deposit?	Yes. The Treasurer's Office Investment Manager will be available for interview and follow-up.

Was the treatment of repurchase agreements an issue reviewed in the prior actuarial study?

Yes.

Additional Note. The IBFD staff will provide Quarterly Reporting summaries in which all approved depositories in Indiana list their total public funds, within the quarter, broken down by minimum balance, maximum balance, and end-of-quarter actual balance. Additionally, staff will provide a detail listing of the last two quarters showing every individual public funds account, by depository, in the three mentioned categories. The detail data will be examined and verified by IBFD staff so that the contracted actuary may rely on the data.

The above data will be provided electronically in Excel spreadsheets.